

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE

REFER TO FILE: WR-4

July 24, 2003

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

ALAMITOS BARRIER PROJECT RECLAIMED WATER AGREEMENT SUPERVISORIAL DISTRICT 4 3 VOTES

IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT:

Approve and instruct the Chair to sign the enclosed agreement with the Orange County Water District (OCWD) and the Water Replenishment District of Southern California (WRD) describing the terms and conditions for accepting reclaimed water into the Alamitos Seawater Barrier Project (ABP) located in the City of Long Beach to reduce the dependency upon imported water supplies and to increase the overall reliability of water supplies to the region.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

We are recommending that your Board approve and sign the enclosed agreement with the OCWD and the WRD describing the terms and conditions for accepting reclaimed water into the ABP.

The ABP consists of a series of injection and observation wells that prevent ocean water from migrating into essential underground aquifers used for domestic water supply purposes. Public Works operates and maintains these facilities.

The Honorable Board of Supervisors July 24, 2003 Page 2

The WRD purchases imported water from the Metropolitan Water District of Southern California (MWD) for injection into the ABP. The OCWD also purchases water for injection and pays for the operation and maintenance of the ABP for the portion of the ABP that extends into Orange County.

With the threat of droughts and increased demands being placed on our local and imported water supplies, the use of reclaimed water will reduce the dependency upon imported water and increase the overall reliability of water supplies to the region. WRD has constructed facilities to treat the tertiary effluent from the Long Beach Water Reclamation Plant for reuse as barrier injection water replacing a portion of imported water currently used. This reclaimed water will be injected into the groundwater aquifer through the injection wells at the ABP.

Implementation of Strategic Plan Goals.

This agreement meets the County's Strategic Plan Goal of Service Excellence as the use of reclaimed water will help reduce the County's dependency upon imported water supplies and increase the overall reliability of water supplies to the region.

FISCAL IMPACT/FINANCING

There will be no impact to the County's General Fund.

As part of the agreement, additional costs incurred by Public Works for maintaining certain barrier improvements needed for the injection of reclaimed water will be paid by WRD.

A small privately owned hydroelectric plant is located at the ABP pressure reduction station. It generates electricity during the pressure reduction process. The lower pressure reclaimed water delivered to the ABP will reduce the amount of high pressure MWD water available for the hydroelectric plant to a rate where it is no longer economical to operate the plant. A separate agreement that provides reimbursement of the revenue losses to the owner has been executed. The funds for this reimbursement will be provided by WRD.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The enclosed agreement has been approved as to form by County Counsel.

The Honorable Board of Supervisors July 24, 2003 Page 3

ENVIRONMENTAL DOCUMENTATION

The WRD prepared an Environmental Impact Report that found no significant impacts resulting from the injection of the reclaimed water.

CONTRACTING PROCESS

Not applicable.

<u>IMPACT ON CURRENT SERVICES (OR PROJECTS)</u>

The WRD has conducted the necessary engineering studies and is seeking a Waste Discharge Permit from the California Regional Water Quality Control Board for the injection of the reclaimed water in the ABP. The engineering studies reflect the reclaimed water should pose no operational problems to the ABP and will not be detrimental to the groundwater basin. A comprehensive monitoring program will be implemented to ensure permit compliance for the quality of the reclaimed water and evaluate impacts to the ABP and the groundwater basin.

As an additional safeguard for Public Works, the agreement provides for WRD to reimburse Public Works for any unforeseen damage or increased maintenance costs that may occur at the ABP as a result of reclaimed water injection.

CONCLUSION

We are enclosing three originals of the agreement. It is requested that two originals be returned to Public Works. The other fully executed original should be retained for your files.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

GH:jac P:\WRD\Ops\Users\GH\ABP reclaim.doc

Enc.

cc: Chief Administrative Office, County Counsel

ORIGINAL

AGREEMENT BETWEEN THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, THE ORANGE COUNTY WATER DISTRICT AND THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA REGARDING RECLAIMED WATER SERVICE TO THE ALAMITOS BARRIER PROJECT

THIS AGREEMENT is made and entered into between the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT(LACFCD), the ORANGE COUNTY WATER DISTRICT (OCWD) and the WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA (DISTRICT), collectively, the "Parties".

A. Recitals

- 1. The use of reclaimed water in Southern California is desirable to reduce the dependency upon imported supplies, and to increase the overall reliability of water supplies to the region.
- 2. The DISTRICT is constructing the Alamitos Barrier Recycled Water Project (PROJECT) facilities. PROJECT facilities include an advanced wastewater treatment facility (AWTF), which is adjacent to the Long Beach Water Reclamation Plant of the Los Angeles County Sanitation Districts, utilizing microfiltration (MF) and reverse osmosis (RO) to demineralize disinfected tertiary effluent, a pH adjustment system to stabilize the Langelier saturation index of the demineralized water, and ultra violet (UV) light to remove certain contaminants, and a distribution system consisting of a pump station and pipeline from the AWTF to the existing Alamitos Barrier Pipeline that delivers water to the existing Alamitos Barrier (BARRIER).
- 3. The LACFCD and OCWD own, and LACFCD operates the BARRIER which consists of injection wells, water supply lines, pressure reduction facilities, and appurtenances, for the purpose of injecting fresh water or other suitable water in coastal aquifers to create a hydraulic barrier to stem seawater intrusion into the Central Basin of Los Angeles County and the Orange County Groundwater Basin.
- 4. The LACFCD entered into agreements with the DISTRICT on May 12, 1964 (LACFCD Agreement No. 8125) and July 25, 1967 (LACFCD Agreement No. 12385) which require the DISTRICT to purchase and the LACFCD to order water from the Metropolitan Water District of Southern California (MWD) or other suitable water and inject the same into the BARRIER.
- 5. The DISTRICT currently purchases imported water from MWD through the Central Basin Municipal Water District for recharge in the BARRIER injection wells.
- 6. The LACFCD entered into an agreement with the OCWD on July 7, 1964 to share in the costs to design, construct and operate and maintain the BARRIER, and which requires OCWD to furnish and pay for the portion of water required for recharge in the BARRIER injection wells that serve Orange County.
- 7. The OCWD currently purchases imported water from the MWD through the Central Basin Municipal Water District for recharge in the BARRIER injection wells.

RECORD NO. 4942 OCWD DOC. <u>R03-6-</u> FILE W/OCWD NO. <u>1799-3</u>3/

- 8. The OCWD and the DISTRICT entered into that certain "Agreement between the Water Replenishment District of Southern California and the Orange County Water District for the Purchase of Recycled Water Produced by the Alamitos Barrier Recycled Water Project", dated March 17, 1999 (the "OCWD 1999 AGREEMENT"), for OCWD to share in the costs of reclaimed water for injection into the BARRIER.
- The LACFCD has allowed the construction and operation of a revenue generating BARRIER Hydroelectric Project (HYDROELECTRIC PROJECT) which consists of facilities that convert the energy in flowing water into electricity. These facilities are located downstream of the MWD supply to the BARRIER and upstream of the reclaimed water supply.
- 10. The DISTRICT and OCWD are desirous of reducing their dependency on imported water and support utilizing reclaimed water to improve the reliability of supply for the BARRIER.
- 11. As a result of reclaimed water being supplied to the BARRIER pursuant to this AGREEMENT, the HYDROLELECTRIC PROJECT may experience a decrease in the flow of imported water which may affect the ability to produce electricity.
- 12. The parties will enter into that certain ALAMITOS GAP BARRIER HYDROELECTRIC FACILITY RELEASE, CLOSING, AND TERMINATION AGREEMENT whereby, inter alia, the DISTRICT is agreeing to compensate the owner of the HYDROELECTRIC PROJECT to enable its closing.

NOW, THEREFORE, in consideration of the foregoing and of the benefits which will accrue to the parties hereto, it is understood and agreed to by and between the Parties hereto as follows:

ARTICLE 1 - AGREEMENT

The DISTRICT agrees to deliver reclaimed water to the BARRIER pursuant to the terms and conditions of this AGREEMENT. The LACFCD agrees to take and inject reclaimed water into the BARRIER pursuant to the terms and conditions of this AGREEMENT.

Nothing in this AGREEMENT affects the rights or obligations of the parties contained in LACFCD AGREEMENT NO. 8125, LACFCD AGREEMENT NO. 12385, LACFCD AGREEMENT NO. 8458, (collectively, the "BARRIER AGREEMENTS"). The parties hereby represent and warrant to each other that the BARRIER AGREEMENTS remain in full force and effect as of the date of this AGREEMENT.

This AGREEMENT is intended to supplement the BARRIER AGREEMENTS and shall not be deemed to supersede the BARRIER AGREEMENTS. In case of a conflict between any provision in this AGREEMENT and any BARRIER AGREEMENT, the provision in the BARRIER AGREEMENT shall prevail.

ARTICLE 2 - RESPONSIBILITIES OF DISTRICT

2.1 The DISTRICT shall deliver reclaimed water to the BARRIER delivery pipeline at a location due west from the new AWTF. The supply of such water shall be pursuant to this AGREEMENT only and shall not create a utility duty

to serve.

- 2.2 The parties shall enter into the ALAMITOS GAP BARRIER HYDROELECTRIC FACILITY RELEASE, CLOSING AND TERMINATION AGREEMENT (the "CLOSING AND TERMINATION AGREEMENT"), in the form attached hereto as Attachment #1, inter alia, whereby the DISTRICT shall commit to certain payment and other obligations, and whereby third parties with an interest in the HYDROELECTRIC PROJECT shall commit to certain releases of the parties hereto in connection with the HYDROELECTRIC PROJECT, in the manner set forth in the CLOSING AND TERMINATION AGREEMENT.
- 2.3 The DISTRICT shall design and construct all necessary improvements required for using reclaimed water for injection in the BARRIER. These include, but are not limited to, a backflow prevention assembly, a flow meter, and any additional air vacuum release valves to mitigate surge conditions associated with reclaimed water emergency shutdowns. The DISTRICT shall also obtain required County Department of Health Services certification for the backflow prevention assembly.
- The DISTRICT shall be responsible for obtaining and maintaining any and all permits (the "NEW PERMITS") for the BARRIER that may become necessary as a result of the use of the reclaimed water, including, without limitation, a permit from the Los Angeles Office of the Regional Water Quality Control Board (the "REGIONAL BOARD"). The NEW PERMIT shall name the LACFCD and the DISTRICT as co-permittees. To the Parties' knowledge, the only NEW PERMIT required for the PROJECT is Water Recycling Requirements by the REGIONAL BOARD.
- 2.5 The DISTRICT shall be responsible for compliance with all requirements of the NEW PERMITS, including without imitation, the permit requirements for groundwater quality monitoring, and verification of the groundwater modeling used to show the movement of groundwater, except to the extent that the New Permit requires action that is beyond the DISTRICT's control.
- The DISTRICT agrees to provide reclaimed water that will meet the requirements of the NEW PERMITS, and all applicable laws and regulations, including the groundwater recharge requirements of the REGIONAL BOARD permit and additional water quality requirements established by the LACFCD as specified in Article 3.4.
- 2.7 The DISTRICT shall be responsible for water quality monitoring necessary to demonstrate compliance with the REGIONAL BOARD permit and water quality requirements established by the LACFCD as specified in Article 3.4.
- 2.8 The DISTRICT shall reimburse LACFCD for expenditures, if any, incurred for increased maintenance activities resulting from the use of reclaimed water or repair of BARRIER facilities damaged by pressure surges resulting from the use of reclaimed water. The DISTRICT agrees to pay the LACFCD within 60 days of receipt of a reimbursement request.

- 2.9 The DISTRICT agrees to provide reclaimed water at the point of connection to the LACFCD pipeline at a pressure that matches the existing pressure in the pipeline.
- 2.10 The DISTRICT shall provide the LACFCD with at minimum six (6) months' advance written notice of the date when reclaimed water shall be delivered to the BARRIER.

ARTICLE 3 - RESPONSIBILITIES OF LACFCD

- 3.1 Upon delivery by the DISTRICT meeting the terms of this AGREEMENT and all applicable permits, the LACFCD shall accept reclaimed water for injection into the BARRIER.
- The LACFCD shall have the right to perform any and all operation, maintenance, and repair activities that the LACFCD in its sole and absolute discretion, may deem necessary at the BARRIER. Notwithstanding the foregoing, except in the case of an emergency, the LACFCD shall notify the DISTRICT of scheduled BARRIER shutdowns as required for maintenance activities at least two weeks prior to said shutdown; and notify DISTRICT as soon as possible of unanticipated BARRIER shutdowns and the LACFCD shall take reasonable steps to minimize the interuption of the flow of reclaimed water to the BARRIER.
- 3.3 The LACFCD shall perform all maintenance on the backflow prevention assembly, connection vaults and other BARRIER improvements required for injecting reclaimed water. These activities, as well as any increase in injection well remediation frequency, are considered increased maintenance for the LACFCD for which the DISTRICT agrees to reimburse the LACFCD for actual expenditures for these activities.
- The LACFCD shall establish additional water quality requirements for reclaimed water for the purpose of protecting the BARRIER. Notwithstanding the water quality requirements initially established by the LACFCD, if the LACFCD determines that these water quality requirements do not adequately protect the BARRIER, the LACFCD may establish revised water quality requirements. No reclaimed water shall be delivered to the BARRIER until such water quality requirements are established by and approved by the LACFCD. Notwithstanding anything in this AGREEMENT, and without relieving the DISTRICT of its obligations under the BARRIER AGREEMENTS the LACFCD at its sole discretion, has the right to suspend the delivery of the reclaimed water to the BARRIER if it does not meet the water quality requirements established by the LACFCD or as may be required by any agency with jurisdiction over the BARRIER or its permits.

3.5 At the close of each fiscal year the LACFCD will submit to the DISTRICT a reimbursement request identifying expenditures incurred for increased maintenance activities, if any, resulting from the use of reclaimed water or repair of BARRIER facilities damaged by pressure surges resulting from the use of reclaimed water. Reimbursement requests shall be for expenditures not to exceed Five Hundred Thousand dollars (\$500,000) per year.

ARTICLE 4 - RESPONSIBILITIES OF ORANGE COUNTY WATER DISTRICT

4.1 The OCWD agrees to permit the use of recycled water as an alternative source of supply to the BARRIER and also pay for its share of the costs of the recycled water, subject to terms and conditions contained in the "Agreement between the Water Replenishment District of Southern California and the Orange County Water District for the Purchase of Recycled Water Produced by the Alamitos Barrier Recycled Water Project", dated March 17, 1999.

ARTICLE 5 - INTERRUPTION OF DELIVERY OF RECLAIMED WATER

- The LACFCD or DISTRICT may suspend delivery of reclaimed water to the BARRIER if any one of the parties determines in good faith that a hazardous condition exists and immediate action is necessary to protect the health of persons, or protect the AWTF, or the BARRIER, or that an operational malfunction has occurred that will cause unacceptable flow, pressure or quality of reclaimed water. The parties shall use their best efforts to reestablish delivery of water to the BARRIER.
- During periodic maintenance outages at the AWTF, the DISTRICT may decrease its delivery of reclaimed water. Among the maintenance outages that will occur are those for monthly reverse osmosis (RO) membrane cleaning. Each of the outages for RO cleaning is expected to last less than 24 hours. The DISTRICT shall use their best efforts to re-establish delivery of water to the LACFCD.
- During periodic maintenance activities at the BARRIER, which include, but are not limited to, redevelopment of injection wells and pipeline repairs, delivery of reclaimed water may be interrupted. When such periodic maintenance activities are performed, the LACFCD, in cooperation with DISTRICT, will use its best effort to minimize the interruption of delivery.
- 5.4 Nothing in this Article shall be construed to relieve the DISTRICT of it obligations under the BARRIER AGREEMENTS to deliver water to the BARRIER to enable the BARRIER's operation, including during the conditions outlined in Sections 5.1-5.3 above.

ARTICLE 6 - INDEMNIFICATION

6.1 In addition to observing any other obligations to defend, indemnify, and hold harmless contained elsewhere in this AGREEMENT, each party (the INDEMNIFYING PARTY) to this AGREEMENT shall defend, indemnify, save

and hold harmless the other parties (the INDEMNIFIED PARTIES), including the INDEMNIFIED PARTIES' Boards, officers, agents, employees, contractors and consultants, against any and all claims, demands, costs, fees, penalties, damages, causes of action, judgments, and liabilities of any kind or of any nature whatsoever (a CLAIM) whether due to a CLAIM asserted by any third party or a CLAIM asserted directly by the INDEMNIFIED PARTIES that arises out of the INDEMNIFYING PARTY'S breach of this AGREEMENT, negligence or willful misconduct.

If the CLAIM is litigated, arbitrated or mediated, and the trier of fact makes a finding regarding the proportional allocation of liability among the parties to the AGREEMENT, the parties agree to pay for the part of the CLAIM for which the trier of fact has found that party proportionally liable subject to affirmation by any appeal procedure that may be pursued.

If the injury in question is found to be caused by one or more of the parties' willful misconduct then only those parties who perpetrated that willful misconduct will be responsible for paying that claim. Notwithstanding the foregoing, no party shall be responsible to defend, indemnify or hold harmless any other party for the latter party's own negligence or willful misconduct.

- In addition to any other amounts due or reimbursement under from DISTRICT to LACFCD under this AGREEMENT, including pursuant to Section 2.8 above in the event the BARRIER receives PROJECT water which does not meet the water quality requirements defined pursuant to Article 2.7 of this AGREEMENT and the PROJECT water has caused damage to and/or additional maintenance of the BARRIER, then the DISTRICT agrees to also compensate the LACFCD for said damage and/or maintenance without regard to any limits under Section 3.5 above and without adding to said limits.
- The DISTRICT shall be responsible for responding to any inquiries or 6.3 requirements from agencies that issued the NEW PERMITS, including from the REGIONAL BOARD. Upon becoming aware of any inquiry, requirement or notice of violation in connection with any NEW PERMIT, the DISTRICT shall immediately provide written notice thereof to the LACFCD with copies of any written correspondence or notice received from the agency, at which time the LACFCD, at its sole discretion, shall have an opportunity to respond to the inquiry, requirement or notice. Notwithstanding the foregoing, the DISTRICT shall assume all responsibility for any violation or allegations thereof of the NEW PERMITS, including for payment of any penalties or fines that may occur, as a result of the use of reclaimed water at the BARRIER. and including any and all costs of responding to the inquiry, requirement or notice of violation, provided, however that the DISTRICT's said responsibility shall not extend to violations of any requirement of a NEW PERMIT that is beyond the District's control. The DISTRICT shall provide the LACFCD with copies of all notices or correspondence received from or sent to any agencies in connection with any NEW PERMIT. Moreover, without limiting any other right or the LACFCD, in law or in equity or under this AGREEMENT, the DISTRICT shall defend, indemnify, and hold the LACFCD harmless for all

damages and defense costs and fees relating to any violation or alleged violation of any permit due to the use of reclaimed water at the BARRIER, provided, however, that nothing contained in this Section 6.3 shall relieve any Party of its obligation concerning indemnification provided under Section 6.1, above.

ARTICLE 7 - TERM OF AGREEMENT

- 7.1 The initial term of this AGREEMENT shall commence upon the last date of approval by the parties hereto and shall terminate 10 years after the start of water delivery.
- 7.2 Notwithstanding its execution, this AGREEMENT shall not be effective until approved by the Boards of Directors of the Water Replenishment District and the Orange County Water District and the Board of Supervisors of Los Angeles County.

ARTICLE 8 - NECESSARY AUTHORIZATIONS

Each Party represents that it has the necessary legal authority to enter into this AGREEMENT, and that this AGREEMENT, when executed by duly authorized representatives of said Party, represents a valid, binding and enforceable legal obligation of said party. Each individual affixing a signature to this AGREEMENT represents and warrants that he or she has been duly authorized to execute this AGREEMENT on behalf of the Party he or she represents, and that by signing the AGREEMENT on behalf of the Party he or she represents, a valid, binding and enforceable legal obligation of said Party has been created.

ARTICLE 9 - CAPTIONS

All titles and headings are provided for the purpose of reference and convenience and shall not affect the meaning of this AGREEMENT.

ARTICLE 10 - NOTICES

All notices shall be made in writing and may be given by personal delivery, by mail or by facsimile. Such notices sent by mail should be sent to the designated contact person for each party and addressed as follows:

Los Angeles County Department of Public Works Assistant Deputy Director - Water Resources Division 900 South Fremont Avenue 2nd Floor Alhambra, CA 91803-1331

Water Replenishment District of Southern California General Manager 12621 East 166th Street Cerritos, California 90703 Orange County Water District General Manager 10500 Ellis Avenue Fountain Valley, California 92708

ARTICLE 11 - MODIFICATIONS

This AGREEMENT may be modified only by the mutual written consent of all three parties.

ARTICLE 12 - SUCCESSORS AND ASSIGNS

No party hereto shall assign any rights or delegate any duties hereunder without the prior written consent of the other party. This AGREEMENT shall be binding on and inure to the benefit of the successors and permitted assigns of the parties.

This AGREEMENT is intended by the parties hereto as a final, complete, and exclusive expression of their agreement, and supersedes any and all other agreements, either oral or in writing between the parties with respect to the subject matter of this AGREEMENT, and no other agreement, statement, or promise relating to the subject matter of the AGREEMENT which is not contained herein shall be valid and binding. Notwithstanding the foregoing, nothing in this AGREEMENT shall modify the terms and conditions of LACFCD AGREEMENT NO. 12385.

ARTICLE 13 - CHOICE OF LAW AND VENUE

This AGREEMENT shall be governed by and interpreted in accordance with the laws of the State of California. The parties agree that the exclusive venue for any action or proceeding arising from this AGREEMENT shall be in the County of Los Angeles, State of California.

ARTICLE 14 - NO THIRD PARTY BENEFICIARY

This AGREEMENT is intended only for the benefit of the named parties herein: no third-party beneficiaries are intended.

IN WITNESS WHEREOF, the parties hereto subscribe the same in duplicate on the day and year written below.

WATER REPLENISHMENT DISTRICT

OF SOUTHERN CALIFORNIA Date: Willard H. Murray, President, Board of Directors By: Mut helle Robert Goldsworthy, Secretary, Board of Directors APPROVED AS TO FORM: By: _ Edward J. Casey, District Counsel Weston, Benshoof, Rochefort & MacCuish ORANGE COUNTY WATER DISTRICT President_Board of Directors General Manager APPROVED AS TO FORM: Joel Kuperberg, Clark S. Ide, General Counsel **COUNTY OF LOS ANGELES** Chair, Board of Supervisors ATTEST: **VIOLET VARONA-LUKENS Executive Officer of the Board of Supervisors** By:___ Deputy APPROVED AS TO FORM: LLOYD W. PELLMAN County Of unsel